APPEARED ON PAGE A1

NEW YORK TIMES
16 June 1985

# U.S. Frustrated in Efforts To Counter Soviet Spying

*The following article is based on reporting by Joel Brinkley and Leslie H. Gelb and was written by Mr. Gelb.*

Special to The New York Times

WASHINGTON, June 15 — American counterespionage forces are finding themselves understaffed and overwhelmed in trying to combat increasingly advanced and diversified Soviet intelligence operations in the United States, according to senior Government officials.

The officials, who deal with intelligence matters, said the Federal Bureau of Investigation had identified 500 to 600 agents of the K.G.B., the Soviet intelligence and internal security agency, among the nearly 2,600 Soviet officials living in the United States.

In addition, the Senate Intelligence Committee has identified at least 200 K.G.B. agents among the 800 members of the Soviet delegation to the United Nations.

The number of agents the F.B.I. has assigned to monitor these Soviet agents and hundreds of others who may be involved in espionage is classified, but Reagan Administration and Congressional officials estimated the number at 300 to 400.

Counterintelligence experts say four agents are required to cover one suspect day and night. "We don't even have a man-to-man defense," William J. Casey, Director of Central Intelligence, said in an interview.

In interviews, officials from the F.B.I., the Central Intelligence Agency, the State Department and other Government agencies and members of Congress said these problems helped to explain how John A. Walker Jr., charged with leading an espionage ring, might have passed vital secrets to Soviet agents for nearly 20 years without being detected.

### Calls for Improvement Made

Because of the charges against Mr. Walker, members of Congress and others are calling for significant improvements in American counterespionage capabilities. This week the Senate and House Intelligence Committees and the information subcommitee of the House Government Operations Committee began investigations of those issues.

Senator Patrick J. Leahy, the Vermont Democrat who is vice chairman of the Senate Intelligence Committee, said: "How many other cases like this are there sitting out there? We have to assume the other Soviet intelligence agents are out there doing something, and we aren't catching them."

Although American intelligence officials agree that the K.G.B. has expanded and improved its operations in this country, there is debate over whether the Soviet intelligence service is now a formidable force or merely a competent one.

Edward J. O'Malley, director of the F.B.I.'s intelligence division, said, "Our objective is to know everything any given intelligence officer is doing in the U.S. at all times." At the same time, Mr. O'Malley acknowledged, "I cannot say we can follow every Soviet 24 hours a day," although he asserted that the bureau, by using electronic surveillance and "certain other legal techniques," was "in a good position to severely hurt their intelligence-gathering activities."

The officials agreed that the situation would be worse if Congress had not insisted on increasing the number of American counterintelligence agents over the last several years, despite opposition from the bureau and the Justice Department.

Intelligence sources have attributed this opposition to bureaucratic concerns and to the difficulty of finding qualified agents.

### Expansion of Soviet Forces

While the Government has debated the number of counterintelligence agents it needs, the Soviet Union has improved and expanded its intelligence operations here, senior officials said.

Over the last decade, intelligence officials said, Moscow has more than doubled the number of intelligence officers assigned to the United States while at the same time broadening their operations to focus on American technology and military industries.

In the past Soviet officers worked chiefly in only four or five major cities, including New York, Washington and San Francisco. But Mr. O'Malley said they now operate nationwide.

In addition, past and present intelligence officials say the quality of K.G.B. agents has significantly improved since the days when American officers said they could easily spot them by their baggy pants and awkward English.

"They can now blend in, in speech, manner, dress and education," said a former senior intelligence official. Still, Administration officials acknowledge that there is a continuing and perhaps irresolvable debate over the extent of K.G.B. capabilities and operations in this country.

Most intelligence officials say they believe that American intelligence operations are better than those of the K.G.B. but that the K.G.B. does not require as much skill to operate effectively in America's open society.

### Shortcomings in U.S. Operation

Interviews with numerous current and former intelligence officers, along with members of Congress and other Government officials, also brought to light these points:

¶The F.B.I. can regularly monitor only the known Soviet intelligence officers, giving scant attention to suspected officers, and surveillance of even the known agents ends when their lights are turned out in the evening and they are presumed to be sleeping.

¶American officials believe a large number of Soviet agents have slipped into the United States illegally and are living and working here and reporting directly to Moscow. With rare exceptions, Federal officials say they do not know who or where they are.

¶The F.B.I. faces another potentially large problem in that about 1,000 Soviet émigrés, many naturalized American citizens, work in military industries and have access to classified information. The F.B.I. assumes these people are loyal Americans, but because most of them still have families in the Soviet Union the bureau believes they are vulnerable targets for the K.G.B.

¶Soviet officers place special emphasis on trying to recruit American agents, but most Americans who spy for the Soviet Union are volunteers, not recruits, bureau officials say. Soviet officers also use Americans who can be unknowingly tricked into revealing secrets.

¶Intelligence officials agree that Soviet officers have become increasingly talented at the psychological manipulation of American agents, to insure that once they begin spying they do not stop.

¶As was true with the arrest of Mr. Walker, most espionage arrests are a result of chance. Federal agents learned of Mr. Walker's alleged activities only after his wife decided to turn him in.

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SKOKIE REVIEW (IL)
13 June 1985

# Ex-CIA chief says U.S. wrong in Nicaragua



By TODD SLOANE

A man uniquely qualified to comment on the issue told a Wilmette audience last Thursday that the Walker family spy case was a failure of U.S. Navy intelligence, as well as that of the the FBI and CIA.

Stansfield M. Turner, retired Navy admiral and former director of the Central Intelligence Agency, told a large Chicago Council on Foreign Relations gathering at the Michigan Shores Club that Navy intelligence officers should have detected changes in the lifestyle of alleged spy ring leader John Walker.

"The man was supposed to be making hundreds of thousands of dollars from passing these secrets to the Soviets. Surely, the changes in his lifestyle, such as buying cars and a plane, among other items, ought to have been noticed by someone. I think the Navy was remiss. After all, this (passing of secrets) was allegedly going on for at least 10 years."

The Walker case, in which at least five persons are alleged to have passed Navy secrets to the Soviets for up to 20 years for financial profit, was but one of several controversial and current topics addressed by Turner, who kept a full house spellbound by his accounts of espionage and intrigue. During more than an hour of speech and question and answers, only two persons left the room.

**TURNER TOUCHED** on several important foreign policy decisions of the last decade, including the hostage crisis in Iran and the failure of the CIA-military rescue operation, the covert war against the Sandinista regime in Nicaragua and the "Star Wars" space defense program.

Turner was a man at home with his audience. The North Shore business and academic types who attend council gatherings were being addressed by one of their own, a former military man who is now on the boards of several corporations.

Turner is also a North Shore product, having grown up in Highland Park before going off to Amherst (Mass.) College and then a Navy career.

He was in town to promote his new book, a weighty tome called "Secrecy and Democracy: The CIA in Transition."

Turner said the Walker case illustrates the need for the various intelligence agencies within the military, the FBI in domestic surveliance and the CIA in international intelligence, to work together. "I found it one of my most difficult tasks, to get these services to share information. There are bureaucratic rivalries that have built up over the years."

**TURNER PLACED** the main blame for the Walker case in the Navy's hands, however. "There was no excuse for not knowing" about Walker's lifestyle changes, Walker said.

On Nicaragua, Turner agreed in part with a hostile questioner at the meeting, who had said the CIA has fought to overthrow left-wing governments in favor of right-wing governments. The questioner said that the U.S. supported Contra rebels fighting against the ruling Sandinista regime are in fact former officials of the regime of right-wing dictator Anastasio Somoza.

"In Nicaragua, I will agree, that most of the leaders of the Contras (the group fighting the Sandinista government) are in fact Somozans. I have opposed the CIA efforts against the Sandinistas. We should never be in a position where covert action is used as a substitute for an understood foreign policy.

"The actions of the CIA in Nicaragua are below the ethical standards of the United States of America," Turner declared to applause.

On another highly topical issue, Turner said he supported research funds being used to develop the Strategic Defense Initiative, commonly known as "Star Wars."

**BUT TURNER** broke with the Reagan Administration in saying that unless there is a serious deterioration in relations with the Soviet Union, Star Wars should not be developed or deployed.

Turner said that Star Wars, instead of being sold as a blanket, space-based protection for the entire country, is actually being designed as protection for existing missile defenses that would not even be used if Star Wars is developed.

"Let's be careful not to be sold a bill of goods, a substitute for a blanket protection of the United States that is really a reinforcement of the doctrine of mutually assured destruction" through strategic missile warfare, Turner said.

The failed hostage rescue mission in Iran, in which eight American soldiers died when two helicopters involved in the mission collided, was the worst foreign policy disaster that Turner was associated with.

While the CIA was successful in its share of the mission, namely in locating where the hostages were being held and when the mission should have been timed, the failure was pure accident. "It should have, it could have worked," Turner said.

**IN GENERAL,** Turner said the CIA has overcome its hostile relationship with Congress and has entered a new phase. "We have found that it is possible for there to be congressional oversight while maintaining the secrecy needed to save lives and carry out orders," Turner said.

But Turner said there was still a danger that continued criticism of the CIA in Congress and especially in the nation's news media will turn off quality young people from considering work with the agency.

If the right people join the CIA, it can be put to uses never thought of in the past, when the agency was seen only as a Cold War instrument.

"The tremendous advances in satellite surveliance technology could be put to use for the rest of the free world. We can help peace by revealing imminent invasions of one country by another, or forecast crops and resources such as water supply, availability of minerals and so forth. This is a marvelous opportunity to stand behind our ideology," Turner said.

SAN FRANCISCO CHRONICLE (CA)
13 June 1985

# Former CIA Director Turner Calls U.S. Security a 'Farce'

By Larry Liebert
*Political Correspondent*

**Former CIA Director Stansfield Turner charged yesterday that top-secret security has become "a farce" that permits cases like the recently discovered Navy spy ring.**

"We have such a farce of security in this country by letting 4.8 million people get clearances, by classifying everything in sight, that people don't take it very seriously," Turner, a retired Navy admiral, said in an interview in San Francisco. "That's the problem, and this administration has carried it to extremes."

Nonetheless, Turner said published reports have exaggerated the likely damage caused by a Navy spy ring spy allegedly headed by John A. Walker Jr., his brother, his son and a friend from Northern California.

The friend is Jerry Whitworth, charged with spying for the Soviet Union while he ran the message center in the naval communications headquarters at Alameda Naval Air Station. Authorities say Whitworth had access to top-secret codes and decoding techniques.

But the former head of the Central Intelligence Agency scoffed: "I don't believe the Soviets are going to break our codes as a result of what a radioman can give them."

Turner, who was CIA director under President Jimmy Carter, said the Bay Area has become a special

STANSFIELD TURNER
**He thinks codes are safe**

target for Soviet espionage "because of the high technology and the military installations. You've got to be more of a target out here than Kansas City."

Turner was a maverick among intelligence officials. He believes that congressional review of the CIA is good for the agency and that covert operations abroad should be used sparingly. He is sharply critical of his successor, current CIA director William Casey.

"He was put in there as a reward for being a political hack," Turner said of Casey, who managed Reagan's 1980 campaign. "It's terrible to have that image created for the CIA."

The admiral, who is publicizing a new book he has written on reforming the CIA, said that the Reagan administration has unwisely attempted to return the CIA to its unfettered and unsupervised days of past "glory."

He said Reagan has once again given the CIA the authority to "spy on Americans" and has sent the agency on ill-conceived covert actions backing the "contras" who are fighting Nicaragua's leftist regime.

"There is no way you can claim that the contras are not terrorists, certainly not (in) mining the harbors of Nicaragua," he said. "We were culpable of state-sponsored terrorism every inch as much as Syria and Iran were in Lebanon against our Marines."

Turner believes the United States has the high-technology ability to verify arms control agreements with the Soviet Union. He favors only a "modest" research effort into Reagan's proposed "Star Wars" defense against missiles.

Although a "super-dome" to protect all American cities from attack is a distant and appealing possibility, Turner said, he vigorously opposes Reagan's proposals to install a more limited space-based defense to protect missile silos.

"Why not build one more submarine," he asked, "100 or 1000 cruise missiles, 200 more stealth bombers — none of which is a first-strike threat to the Soviet Union, none of which has anywhere near the vulnerability of Star Wars?"

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BOSTON GLOBE
9 June 1985

# Charting a course for the CIA

SECRECY AND DEMOCRACY
The CIA in Transition
By Stansfield Turner. Houghton Mifflin. 304 pp. $16.95.

By Lyman B. Kirkpatrick Jr.

Among those who have headed the Central Intelligence Agency to date, Stansfield Turner's name will survive as the most controversial. His predecessors include such luminaries as four-star Gen. Walter Bedell Smith (Eisenhower's Chief of Staff during World War II); Allen Welsh Dulles, whose brother was then the secretary of state; George Bush, now the vice president of the United States. The incumbent, William Casey, was a prominent attorney and former head of major federal agencies. Including all the directors who preceded Turner, there were admirals, generals, lawyers, businessmen, career intelligence officers and a government specialist.

When President Jimmy Carter appointed Admiral Turner to head the Central Intelligence Agency, he was looking for a tough man to take on a thankless job. Turner, who is not shy about speaking bluntly, demonstrated it on that occasion. He told the president he would prefer to be named the vice chief of naval operations so that he could be appointed to the top uniformed position in the Navy the next year when the incumbent chief of naval operations would retire. The president said he did not want him for that job, but he did want him to head the intelligence community. The intelligence community, in addition to CIA, includes the Defense Intelligence Agency, the National Security Agency, the Intelligence and Research Office of the Department of State and the intelligence staffs of the military services.

Turner agreed, but obviously may not have been fully aware of the bureaucratic minefields and torpedos into which he was sailing. However, in the tradition of the military, he had no worries about being able to handle the job. To say that he is supremely confident is an understatement. Now he has written a commentary on what he found at CIA and in the other intelligence agencies. He also lists 11 "Agenda Actions" recommending what he believes should be done to improve US intelligence.

Stansfield Turner possesses impressive credentials for the job he was called to fill: head of the Central Intelligence Agency and leader of the so-called US intelligence community – all those organizations engaged in finding out what is going on in the rest of the world. A native of Highland Park, Ill., he attended Amherst College for two years, graduated from the Naval Academy in 1946. He was selected as a Rhodes Scholar and received a master's degree from Oxford University for studies in philosophy, politics and economics.

Turner's career in the Navy was helped along by Adm. Elmo Zumwalt, who became chief of naval operations in 1970. Zumwalt first assigned Turner to command an aircraft carrier task group in the Mediterranean and then recalled him to Washington to head the Navy's Office of Systems Analysis. Turner says Zumwalt dubbed him "his resident S.O.B." After a year in Washington, Turner was assigned as president of the Naval War College in Newport. "I changed the curriculum from a passive program, where students were lectured to most of the time, to one where they were actively involved in serious reading, writing and critical analysis of ideas. This upset many students and some of the faculty. . ." (At the time, Turner was president of the Naval War College. I was a professor at Brown University in Providence. I had lectured and given elective courses at the Naval War College for many years. Turner did indeed change the War College!)

From the War College, the admiral went to command the 2d Fleet in the Atlantic, after which he was promoted to four-star rank. On Feb. 2, 1977, he was summoned to see the president and learned that his future was in CIA.

The book he has written about the CIA is worthy of being a required text in civics and government classes of schools and colleges. If one can forgive the big "I" and overlook the fact that he was "not present at the creation" and that other CIA directors took actions worthy of praise, it is well worth reading.

The biggest problem with Turner's book is that it is so self-serving. One inevitably tires of the big "I." However, his accomplishments far outweigh his arrogance. If the reader takes a dose of tranquilizers, the book can assist in an understanding of how the United States tries to use its intelligence agencies to discover and analyze world problems.

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The importance of the CIA should not be underestimated. That organization, its career professionals and its directors, as well as the policy makers of the executive branch deserve the support (and prayers) of all Americans. If they are correct, we all benefit; if wrong, this nation and perhaps the entire planet may suffer.

The admiral concludes his book with what he calls "The Agenda for Action." He lists 11 recommended changes. One is to convince the intelligence community that good oversight is essential to effective intelligence. In my 20 years of US intelligence service, I knew of only a very small minority who resisted inspection and review. They may have been clever, but they were not wise and, in more than one instance, were "hoist with their own petard." It seems obvious, but those who are "overseers" cannot be the intelligence collectors or analysts or it would be a meaningless introspection.

He urges that analysis be improved. There is nothing on this planet that cannot be improved.

Turner suggests broadening the analytic effort beyond current events and Soviet military events. CIA's activities are controlled by what the president wants and Congress will fund. CIA is constructing another giant building, so additional effort obviously is planned.

He would separate the role of director of Central Intelligence from that of head of the Central Intelligence Agency. Stansfield Turner held the two jobs, as does William Casey today, as did former directors. The proposal is as old as the US intelligence system. The head of CIA can use the vast

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ON PAGE A-4

BALTIMORE SUN
6 June 1985

# Reagan is misled on 'contras,' ex-CIA chief says

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Newhouse News Service

WASHINGTON — Former CIA Director Stansfield Turner says "everything I know" indicates that President Reagan is getting a distorted intelligence estimate on the ability of "contra" rebels to overthrow the leftist government of Nicaragua.

"What's going up to the top of the CIA and Defense Department is that the contras will not succeed," Mr. Turner said. "But the word going up to the White House is, 'Let's keep going.' "

In a meeting with reporters yesterday, Mr. Turner, a retired admiral who headed the CIA under President Jimmy Carter, said all indications were that the contra forces were incapable of ousting the Sandinistas and were doomed to failure. President Reagan deserved to hear this estimate from his chief advisers, he added.

Mr. Turner also said that the use of the CIA to funnel humanitarian aid to the contras was an inappropriate function for an intelligence agency and that the CIA should "get out of it."

"The CIA is going to get hurt by this," he said. "I'm selfish. I want to see the CIA out of this kind of operation, so they won't get the brunt of it when the contra effort folds up and fails."

Mr. Turner said the United States should deal with the Sandinistas by "other means" than backing the contras.

He took issue with President Reagan, who said Tuesday that providing financial aid to the contras "may be our last opportunity to persuade the Sandinista government to negotiate with the contras."

Mr. Turner said, "It is we who should negotiate with the Sandinistas — not the contras. We should try to limit the Sandinistas' ability to export revolution and impose their system on Nicaraguan society without permitting opposition. I think we can do that. We should at least try it.

"The president is against anyone who's a Communist. I don't trust them either. But I think you can negotiate with them and try to set up terms that would be difficult for them to break."

ASSOCIATED PRESS

**Stansfield Turner, former CIA director, thinks the agency "is going to get hurt" if it continues to channel aid to Nicaragua's "contras."**

Mr. Turner, who expands on his views of U.S. involvement in Central America in his new book, "Secrecy and Democracy," said: "I don't think the Soviets will find Nicaragua's a marvelous springboard for exporting communism to the Americas. I was down there a few months ago and it's the most impoverished place you can imagine. They've got enough problems of their own without becoming another Cuba."

He added, "One of the worst things the Reagan administration has done has been to develop an adversarial relationship with the congressional intelligence committees and to polarize them into partisanship. It's not inherent that an intelligence organization have an adversary relationship with Congress, and it's certainly not helpful."

The former CIA director said "there's no question" that in the early days of the Reagan administration, "there was a politicization of the intelligence operation" after William J. Casey took over the CIA.

But he said he sympathized with Mr. Casey over such episodes as the resignation of several CIA analysts who contended that their intelligence estimates were being ignored.

"I had the same difficulty," Mr. Turner said.

"You can't give the president 35 divergent views. You've got to cut some of them out. You tell the president, 'These are my views,' and give him one or two divergent views."

ARTICLE APPEARED
ON PAGE B-13

NEW YORK TIMES
6 June 1985

# Money Said to Have Replaced Ideology as Main Spy Motive

By IRVIN MOLOTSKY
Special to The New York Times

WASHINGTON, June 5 — "Money is the dominant reason" Americans now choose to spy for the Soviet Union, according to Stansfield Turner, a former Director of Central Intelligence.

Admiral Turner, who served in the Carter Administration, and other former officials concerned with national security agreed in separate interviews today that ideology was no longer the main reason Americans commit espionage, as it was in the 1940's and 1950's.

They suggested it was much more difficult to capture a spy acting for financial gain than those who do it for reasons of ideology. The current spy case involving three members of the Walker family was broken only after the former wife of one took her story to the authorities.

### Ideology in Rosenberg Case

Perhaps the most famous case involving ideology in the United States was the one that led to the execution of Ethel and Julius Rosenberg, a case that still stirs sharp argument over their guilt today, 32 years after their execution. They were the only Americans ever executed in the United States after a civilian trial for espionage, having been convicted of transmitting nuclear weapons secrets to the Soviet Union.

Another was the perjury conviction of Alger Hiss, a former State Department official imprisoned when he denied charges brought against him by Whittaker Chambers. Mr. Hiss has long denied guilt.

*The arcane language of espionage: Washington Talk, page B14.*

William E. Colby, who headed the Central Intelligence Agency from 1973 to 1976, said the Hiss case and the Philby-Burgess-Maclean spy ring case in Britain involved activities that occurred "when the Soviet Union represented antifascism and there were a lot of ideological recruits."

Ideology as an espionage motive fell off with the Hitler-Stalin nonaggression pact and later with the information provided by Nikita Khrushchev when he denounced the horrors of Stalin's regime, Mr. Colby said.

### More Potential Recruits

The current investigation, involving John A. Walker and others, presents problems typical of those that the United States must deal with these days, the intelligence experts said.

"John Walker is a money case," Admiral Turner said.

Gene R. LaRocque, a retired admiral who is director of the Center for Defense Information, a group often critical of the Reagan Administration, said the development of spying-for-money was dangerous because the field of potential recruits is so much larger.

"The ideologues are few in number," he said. "The people who want a little more cash are legion."

Griffin B. Bell, the Attorney General in the Carter Administration, said changing values were also having an effect in a number of recent spy cases.

"With the breakdown in values, partly because of Vietnam and partly Watergate, and a looseness in general discipline, both social and organizational, secrets are held in much more contempt," Mr. Bell said. "The 'me' generation and 'I'll make it on my own' have led to recent circumstances that have been financially based."

Asked to review the spy cases he knew about as the nation's chief prosecutor, Mr. Bell said, "I don't know of any ideological recruits."

### Few Leads With Money Cases

A knowledgeable intelligence source, who would not permit use of his name, had this appraisal:

"In counterespionage, if you can identify ideological groups, that's wonderful. But when it's pure cash for sale, you don't have any leads. It makes searching for the agents much more difficult, if not impossible."

Morton Halperin, a Pentagon and National Security Council official from 1966 to 1969, agreed that ideology was no longer the main motive for espionage and said this undercut the notion that the Government should investigate the ideological past of Americans.

"The people convicted in the past seemed to have acted out of political reasons," Mr. Halperin said. Now, he said, it would seem to matter less that a person was once a member of the Communist or Socialist Party, or the Americans for Democratic Action.

### Prosecution Policy Change

Mr. Halperin is now director of the Center for National Security Affairs, which deals with security and civil liberties matters and has been critical of Reagan Administration policies.

Another change noted by Mr. Halperin was that the Government was now prosecuting people who spy for money.

"In the past," he said, "the Government would make them double agents or feed them false information. That would cast doubt on the information they had sent previously. Also, if you prosecute, you blow your double agent."

Mr. Halperin noted that it was Mr. Bell who, as Attorney General, had changed that policy.

Mr. Bell said he had decided to prosecute such cases because "I always thought we were going to have to have more sentences to do something about it."

"We do need to have more trials, more examples, more long prison terms," he said, "if we are going to bring it under control."

ARTICLE APPEARED ON PAGE A-1

WASHINGTON POST
6 June 1985

# Spy Tip Followed Tarot Cards

## *Ex-Wife Agonized for a Year Before Calling FBI*

By Sharon LaFraniere and Ruth Marcus
Washington Post Staff Writers

The month that her son reported for duty on the USS Nimitz, Barbara Joy Crowley Walker was agonizing over whether to tell authorities she suspected her ex-husband was a Soviet spy, according to a friend of the family who said Walker turned to her for advice.

Shalel Way, 29, whose parents befriended Barbara Walker after she moved to Skowhegan, Maine, in 1976 following her divorce from John A. Walker Jr., said that in January 1984 Barbara Walker asked her for a tarot card reading to help her decide whether to go to the FBI.

"She said she suspected he was giving secrets to the Russians. She said he would get drunk and call her on the phone and brag about it," Way said in an interview at her apartment in Skowhegan, a tiny factory town in central Maine. She said Barbara Walker discussed whether she should contact authorities while sitting in Way's mother's kitchen on a wintry afternoon in January 1984.

As she considered whether to implicate her former husband, Way said, Barbara Walker was apparently unaware of the alleged involvement of her son, Navy Seaman Michael Walker. "She's just about destroyed," said Way, who stated that she overheard part of a telephone conversation between her mother and Barbara Walker after Michael Walker's arrest.

Way said that during that conversation, Barbara Walker told her mother that she doesn't believe her son was really involved and thinks her ex-husband is somehow framing Michael to punish his ex-wife for tipping off the authorities. Barbara Walker's sister-in-law, Pat Crowley, also said Barbara Walker had no clue her actions would lead to her son's arrest.

Walker apparently deliberated for about a year before calling the Hyannis, Mass., office of the FBI about six months ago, providing the tip that triggered the arrests of her ex-husband, a retired chief warrant officer; her son; her former brother-in-law, retired Navy lieutenant commander Arthur James Walker; and a friend and former Navy colleague of John Walker's, retired communications specialist Jerry Alfred Whitworth.

A fifth person, "F," also may be implicated in the alleged espionage ring, according to an FBI affidavit.

Barbara Walker told The Los Angeles Times yesterday that her former husband began spying for the Soviet Union in the late 1960s to get money for a failing South Carolina restaurant in which he had invested. She said he had received "well over $100,000" for his alleged espionage activities.

She said she never would have gone to authorities if she had known it would lead to the arrest of her only son, 22.

"I love Michael so much," she said. "I love my country, but I never could have brought myself to do it if I had known he was part of this thing. I was devastated when I learned Michael was involved."

She said her daughter, Laura Mae Walker Snyder, had told her John Walker tried to enlist her as a spy in 1979 when the daughter was an Army communications specialist at Fort Polk, La.

As for why she finally went to the FBI, Barbara Walker said, "I wanted to protect my children. Was I seeking vengeance? Well, a part of me wanted to see him get what he deserved."

The interview took place in her apartment in West Dennis, Mass. Mrs. Walker, who had worked in a Skowhegan shoe factory after her divorce from Walker in 1976, moved to the Cape Cod community last summer to live with her daughter.

In other developments yesterday:

- A source familiar with the investigation said the FBI plans today to interview a person at the Naval Air Station in Pensacola, Fla., in connection with the alleged espionage case.
- Former CIA director Stansfield Turner blamed the lengthy delay in uncovering the alleged espionage ring in part on a reduced emphasis on CIA counterintelligence during the 1970s. The espionage may have begun as long as 20 years ago, according to a federal affidavit.

  At a breakfast meeting with reporters, Turner, a retired admiral, said he is alarmed by the possibility that John Walker gave the Soviets "absolutely vital" intelligence about submarine deployment. "What really bothers me," he said, is that such information might accelerate the Soviets' research into methods of locating U.S. submarines below the surface.
- The Pentagon said that Whitworth was twice reapproved for a "top secret" security clearance during the period in which he is accused of conspiring with John Walker to spy for the Soviet Union. John and Arthur Walker, who both held top secret clearances during their Navy careers, were never subjected to reviews of their security clearances, which are supposed to be conducted every five years, according to a statement from the office of Michael I. Burch, chief Pentagon spokesman.
- Senate Intelligence Committee Chairman David F. Durenberger (R-Minn.) called on the Reagan administration "to cut in half the amount of information we classify and cut by more than half the number of people who have access to it."

  He said security checks for those cleared to see sensitive information were inadequate and that a tendency to classify too much information created a situation in which those with clearances feel "everything can't be that secret so people treat nothing as secret."

  Durenberger said in an interview that he believed "we're getting better" at finding spies. At the same time, he said, there is "more spying going on and a lot more clever spying going on."

Continued

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■ A memorandum filed in federal court in Baltimore said that John Walker, despite a net worth of $174,785 at the time of his arrest May 20, cannot now afford to pay for a lawyer.

Walker's court-appointed lawyers, federal public defenders Fred Warren Bennett and Thomas B. Mason, said in the memorandum that Walker cannot afford to pay the estimated $20,000 to $75,000 costs of his legal defense because the government has placed tax liens against some of Walker's property and seized other assets, including ten 100-ounce bars of silver bullion valued at $6,100.

The Internal Revenue Service yesterday placed liens on Walker's land holdings in North Carolina and South Carolina. It had placed liens Tuesday against his assets in Norfolk. The IRS said he owed $252,487 in back taxes, interest and penalties for the years since 1979.

The IRS often moves to recover back taxes, interest and penalties against those accused of a crime when agents believe a person may not have reported all of his income, legal or illegal.

In the interview yesterday, Way said that Barbara Walker hesitated before going to the FBI because she was uncertain whether John Walker's talk of his escapades as a Soviet spy were true or mere boasting from a man who, friends say, bragged about everything from his detective abilities to his many girlfriends.

"She would say, 'Are you just talking, Johnny, or is this the truth?' " Way said.

Way said Barbara Walker hoped the tarot cards would help illuminate the matter. She said she advised Walker to "be very cautious and make sure you know the whole story, make sure it's not braggadocio."

In a black notebook, Way wrote this account of the afternoon: "Woman holds secret that is of military importance regarding ex-husband John. Will reveal eventually. Caution."

While Way said Barbara Walker was "not a bitter woman at all," friends in Skowhegan said she had little reason to feel kindly toward her ex-husband.

After 19 years of living with her husband in Norfolk on a comfortable income, she had to struggle to make ends meet after their divorce. She had to rent an apartment for $35 a week in a rundown building, they said, before she could afford to move to a nicer two-story house.

She found a job doing piecework at a shoe factory and, according to her sister-in-law Pat Crowley, would work an extra hour in the morning and through her lunch hour to add to her paycheck.

Way, who lives in an apartment behind the house Barbara Walker rented, said she came home in jeans and a sweatshirt covered with soot and glue, too tired to change clothes. "She'd say, 'Johnny Walker did this to me,' " Way said.

Crowley remembered an occasion when Barbara Walker "passed out at work one time, she was so tired. "We kept after her. I said, 'You're working yourself to death and then where will your children be? She'd say, 'Yeah, but I have to pay the fuel bill.' "

Way said that while it appeared from talking to Barbara Walker that her ex-husband "was cruel to her," patriotism was a large part of the reason why Barbara Walker wanted to talk to the FBI.

She said Barbara Walker, who always hung a flag outside on Memorial Day, once told her, "Johnny Walker is a traitor to his country. I'm really going to get him for this. That's my country."

She said Barbara Walker decided to go to authorities once she had the facts, despite fear of reprisals by her ex-husband. "She is a very courageous woman."

Although Barbara Walker's oldest daughter Margaret and son Michael were close to their father and moved back to Norfolk where he lived, friends said her two middle daughters, Cynthia and Laura, seem to share her ill opinion of their father. They complained that he had "mistreated their mother" and favored Michael, Way said. "Michael got all the presents, the money and the trips, and they got nothing."

For his part, John Walker complained that his two middle daughters "only called when they wanted money," according to his business partner, Laurie Robinson.

Michael Walker held a special place in his mother's affections, Way said. Barbara Walker made a trip to attend Michael Walker's graduation from boot camp, according to Crowley.

In a note on one of her tarot reading sessions with Barbara Walker, Way wrote, "Michael, favorite."

*Staff writers John Mintz, Joe Pichirallo and Molly Sinclair contributed to this report.*

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WASHINGTON POST
7 June 1985

# Spy Ring Damage Called 'Serious,' Not 'Disastrous'

By George C. Wilson and John Mintz
Washington Post Staff Writers

The Navy, after sifting through piles of documents and studying interviews conducted with a wide range of present and former acquaintances of four members of the alleged Walker spy ring, has tentatively concluded that it has suffered a "serious" but "not disastrous" loss of its secrets to the Soviets, according to a top Pentagon official who has been briefed on the case.

Other high-ranking Pentagon officials said yesterday they shared that assessment.

Although the concern of Defense Secretary Caspar W. Weinberger has increased as he learns from his frequent damage assessment briefings about what might have been lost, the worst fears of Navy leaders—that the Soviets would learn the Navy's innermost secrets about submarine warfare—have not yet been realized, officials said.

Near the top of this Navy list are the advanced techniques for monitoring and, in wartime, destroying Soviet submarines, and for making U.S. submarines invisible during the silent combat that could take place under the sea someday.

No evidence yet is in hand, officials said, to suggest that any of the accused in the Walker spy organization managed to break through the several rings of secrecy around such "black" programs.

A U.S. intelligence official said another prime area of concern is what the Soviets may have learned about top secret communications equipment, encryption techniques and daily code cards from two of the accused who had access to that information while in the Navy.

Under the worst case scenario, the official said, the Soviets could have received manuals on the coding machines themselves, together with "key cards" used to transmit secret messages on cryptographic gear.

With this combination, the Soviets may have been able to detect patterns that could compromise U.S. military codes. There is no evidence to date, officials added, that this has happened.

The FBI and the Naval Investigative Service, officials said, have cast a broad net in hopes of learning what information the Soviets did receive. The FBI, as part of this intensive damage assessment effort, has been giving lie detector tests to present and former acquaintances of the suspects in the Walker spy ring.

"All we've got now are the papers the Russians didn't get," said one Pentagon official.

John A. Walker Jr., 47, a retired Navy chief warrant officer, was arrested May 20 on an espionage charge after allegedly leaving a bag of classified documents for a Soviet diplomat in a rural section of Montgomery County. Three other former and current Navy personnel also have been charged with espionage: Jerry Alfred Whitworth, 45, a retired communications specialist; Walker's son, Michael Lance Walker, 22, a Navy seaman; and John Walker's brother, retired lieutenant commander Arthur James Walker, 50.

The fears of civilian and military officials are offset somewhat because the United States has new ways to use sound waves to find Soviet submarines if the present-day listening systems have been irreparably compromised by secret papers sent to the Russians.

The Soviets have had years to gather information about the Sosus (sound surveillance system), the network of underwater submarine-detecting microphones strung along the Atlantic and Pacific coasts decades ago. Given that, some submarine specialists doubt that the spy ring could add much to the Soviets' knowledge.

Aides said Weinberger is worried about what the Soviets might have learned about the whole range of U.S. military operations and capabilities that uniformed specialists might regard as close to routine.

Asked yesterday if Weinberger's concern has increased because of what he has learned in his most recent briefings, Pentagon spokesman Michael I. Burch said the defense secretary's concern has "gone up" since last week, when he termed the loss "serious. If you want to say even more serious, that's fair enough."

Burch added in an interview that it would be premature to characterize the loss of military secrets as the biggest the Navy has yet suffered.

Sen. David F. Durenberger (R-Minn.), chairman of the Senate Intelligence Committee, downplayed the possible damage.

"I'm not that worried about the information" the suspects had access to, Durenberger said. "It certainly wasn't helpful [for the information] to end up in Soviet hands, but it wasn't of such significance that there's any kind of alarm. I think a lot of information may corroborate stuff that is stolen outright" or intercepted electronically by the Soviets. "But it isn't damaging in the larger sense that, for example, the theft of some plans for some supersecret intelligence collector [like a spy satellite] might be."

Durenberger added, "I'm not minimizing this. I'm saying it is a good

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reason for the American public to pressure the bureaucracy of the government to change the way we handle national security information."

From the professional military viewpoint, the investigation to date points to John A. Walker Jr. as the biggest risk because of access to "top secret crpyto" information, service on a nuclear powered missile submarine and work as a Navy radioman at the Navy's Atlantic Fleet submarine headquarters at Norfolk.

"Everything flows through that," retired vice admiral Bobby Ray Inman, formerly head of the National Security Agency and deputy director of the Central Intelligence Agency, said of the headquarters. "If you had to pick out a sensitive facility in the fleet that would rank in one of the top 20 or so, that would be it." Walker served there from 1967 to 1969.

Copies of radio messages between the headquarters and the submarine fleet at sea, Inman said, would be extremely valuable to the Soviets because "there are no other regular sources of submarine information, no constant flow of information about what they do and how they do it."

Inman characterized John Walker's service from 1965 to 1967 as senior chief radioman on the nuclear missile submarine Simon Bolivar as his second most sensitive assignment.

Walker received his "top secret crypto" clearance, allowing access to highly sensitive material, in 1965 and held it until he retired from the Navy in 1976 with the rank of chief warrant officer. Federal court documents say the spy ring may have been in operation as early as 1965.

The communications Walker might have seen, if presented to the Soviets, might appear to have no value today. But submarine specialists said they might be damaging because of what they might reveal about the general pattern and area of missile submarine operations.

Missile submarines must know in advance the features on the bottom of the ocean so they know exactly where they are at every second of their slow patrol. Otherwise, they could not achieve accuracy with their missiles. Also, certain conditions are needed for maximum stealth and reliable communications.

Analysts said that even if John Walker provided the Soviets with sensitive information about the United States submarine force as early as the 1960s, the Soviets are unlikely to change their submarine tactics in a way that would reveal their knowledge to the United States.

Compared with the information John Walker had, the access enjoyed by his older brother Arthur originally seemed to be minor. But some officials recently have become more concerned about the risk he may have posed. Arthur Walker, who joined the Navy as a seaman in 1953, received submarine training and served on a number of submarines in the 1950s and 1960s. He specialized during his career in antisubmarine warfare, and may have told the Soviets about U.S. tactics, Pentagon sources said.

In the late 1960s and early 1970s, Arthur Walker, then a lieutenant commander, was an instructor in antisubmarine warfare tactics at the Atlantic Fleet Tactical School.

Arthur Walker's work at VSE Corp., a Chesapeake, Va., defense contractor where he worked on maintenance schedules for ships, was "almost penny ante" compared to the intelligence potentially compromised by brother John, said former CIA director Stansfield Turner.

Military experts have varying views about the potential damage done by Whitworth, a 21-year Navy veteran who was a communications specialist assigned to duty in the Pacific Ocean. His most sensitive assignment was in 1982 and 1983, when he was communications watch officer aboard the USS Enterprise, an aircraft carrier.

During most of his career he held sensitive jobs handling communications and codes.

Whitworth had access to many manuals on building and operating communications gear. Military officials fear that Whitworth might have given away both the content of messages he read, as well as the detailed plans for the machinery. However, Whitworth's access to the most sensitive material would have been limited.

"A radioman is terribly helpful to you," said George A. Carver Jr., a former CIA deputy director. "It's not the compromise of any single message. It's the compromise of techniques, signatures, call signs, frequencies . . . . In the intelligence trade, there are no secrets more secret, none you want to protect more than those dealing with communications."

Military officials agree that the least informed of the four alleged spies is Michael Walker. Working in the operations department of the aircraft carrier Nimitz, he would have known about the daily workings of the carrier and nearby ships. He had access to materials bound for the "burn bag," a device used in destroying documents, but he saw nothing more sensitive than material available under his relatively lowly "secret" clearance.

*Staff writers Ruth Marcus and Molly Sinclair contributed to this report.*

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NEW YORK TIMES
9 July 1985

# U.S. Analysts Offer an Account Of How Alleged Spy Ring Worked

## Vienna Seen as Center for Espionage — Walker Is Said to Have Received Soviet Military Rank

By PHILIP SHENON
Special to The New York Times

WASHINGTON, July 8 — Federal officials and intelligence analysts say that John A. Walker Jr. passed Navy secrets to the K.G.B. in an elaborate scheme that apparently involved espionage training in Austria and the use of Soviet couriers in Washington.

In their most extensive account of how they believe the espionage operation was carried out, officials said that Mr. Walker almost certainly dealt with several agents of the K.G.B., the Soviet intelligence agency, in what they say was a 20-year spying career.

Intelligence analysts speculated that Mr. Walker was awarded a high rank in the Soviet armed forces, probably the Soviet Navy, and received decorations for his information. "He might very well have tried on his Soviet uniform," said Robert T. Crowley, a retired senior official of the Central Intelligence Agency.

Mr. Walker has been indicted on espionage charges but has pleaded not guilty.

### Frequent Trips to Vienna

While details remains sketchy, the authorities say the K.G.B. asked Mr. Walker, a retired Navy warrant officer, to make frequent trips to Vienna, where he would pass along secret information collected from other members of the purported Navy spy ring.

Vienna, they said, was also where Mr. Walker probably received training in the techniques of espionage. For security reasons, they said, there appeared to have been few, if any, recent face-to-face meetings in the United States between Mr. Walker and Soviet agents.

Intelligence analysts said they believe that a Soviet diplomat who was named a co-conspirator in the alleged spying operation was a relatively low-level K.G.B. agent who may never have met Mr. Walker. Instead, they said, the diplomat had been assigned to pick up documents that Mr. Walker left at secluded sites.

Mr. Walker, his brother, son and a California man described as his closest friend have been arrested in what the authorities describe as the most damaging spy case in 30 years. All have served in the Navy. All pleaded not guilty.

The K.G.B. scheme, officials said, was designed to offer maximum protection against surveillance by American law-enforcement agencies. The officials cautioned that many, and perhaps most details of the purported scheme will never be known unless Mr. Walker, who is accused of forming the spy ring, begins to cooperate with law-enforcement authorities.

What is known, officials said, has been determined largely from personal papers, travel receipts and telephone records that were found in searches of Mr. Walker's home and office in Norfolk, Va., as well as statements made to investigators by his son, Michael L. Walker and brother, Arthur J. Walker.

They said that Mr. Walker's case seems to follow what one investigative source described as a "common pattern" of Soviet intelligence agencies.

"We don't know nearly as much as we'd like," the source said. "But from what we do know about the K.G.B., it's not that difficult to come up with a reasonable understanding" of the operation of the purported spy ring. That understanding, he stressed, "is based, to a large extent, on well-informed speculation."

Any training that Mr. Walker may have received, most likely in the use of secret cameras and audio equipment, probably took place in Vienna, where the Soviet Union has a large embassy and controls numerous safe houses, officials said.

### U.N. Agency in Austria

The International Atomic Energy Agency, a United Nations agency, is based in Austria. According to intelligence specialists, that has given the Soviet Union an excuse for posting a relatively large number of K.G.B. agents in Vienna posing as diplomats. The Austrian Government is thought to have relatively little surveillance of foreign intelligence agents, they said.

Andrew Daulton Lee, a California man who admitted in 1977 that he had sold secret documents to Soviet agents about American spy satellites, received espionage training in Vienna, officials said.

The F.B.I. has said that it knows of at least eight meetings in Vienna between Soviet agents and Mr. Walker since 1976.

"I'm sure Vienna was the standard debriefing site," said Ray S. Cline, former deputy director of the Central Intelligence Agency.

Because of their neutrality, Mr. Cline said, "Austria and Switzerland have been the spy capitals since the end of World War II." He added that Soviets agents preferred Austria. "The Swiss are pretty tough on intelligence officers," Mr. Cline said.

Other meetings took place in the Philippines and Italy, according to documents released by the F.B.I.

Mr. Cline, now professor of international relations at Georgetown University, said those countries were probably chosen because Soviet agents felt that law-enforcement agencies there were relatively lax in their surveillance of foreigners. "It would be a safer environment," he said.

Because of tighter security by American law-enforcement agencies, officials say, it appeared that relatively few, if any, face-to-face meetings between Soviet agents and Mr. Walker took place in the United States in recent years.

Instead, they said, the Soviet agents used sites in suburban areas near Washington, D.C. Parcels of information were left by Mr. Walker and retrieved later by Soviet agents, they said.

In exchange, they said, the agents used the same sites to leave packages of money for Mr. Walker. The officials said large cash payments to Mr. Walker for his information were made in the United States, another effort to avoid detection.

### Risk of Customs Detection

If Mr. Walker had received large amounts of money overseas, he would have risked being caught by customs officers when returning to the United States, said Mr. Crowley, the former C.I.A. official who recently wrote a book on the K.G.B.

"It might have been discovered with the money, and it might have tripped a flag," he said. "It makes more sense to pay him in the United States." Law-enforcement officials say they believe that Mr. Walker received hundreds of thousands of dollars from Soviet agents but have so far been unable to trace most of the money.

Mr. Walker was arrested after leaving a bag containing more than 100 secret Navy documents at a site in rural Maryland, the F.B.I. has said.

Clues about the espionage operation were provided in a secret note reportedly written last year by Jerry A. Whitworth, the California man arrested in the case. According to the F.B.I., the note said that American locations were "always" used by the Soviet agents when they passed money to Mr. Walker.

The note also said that Mr. Walker passed along the secret information overseas, "although U.S. locations are used sometimes," the bureau said.

Officials said they had little informa-

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tion about a Soviet diplomat, Aleksey G. Tkachenko, who was recalled to Moscow after prosecutors named him as a co-conspirator. The F.B.I. said its agents had seen him in the vicinity of the site in rural Maryland that Mr. Walker is charged with visiting on the night of his arrest.

The F.B.I. has identified Mr. Tkachenko as a vice consul in the consular division of the Soviet Embassy in Washington, a relatively low-ranking diplomat.

Officials said that he may have been one of a number of K.G.B. agents in the embassy who were periodically assigned to pick up material left by Mr. Walker at drop sites.

"Over the years, the case had become routine," said David A. Phillips, a former C.I.A. agent. "More and more over the years the yeomen got the job of going to these drop sites."

Some intelligence analysts say they believe that Mr. Walker's chief Soviet contact is a senior K.G.B. official working in Moscow.

Mr. Crowley, who was the C.I.A.'s assistant deputy director for oeprations, said he suspects Mr. Walker may have known the official for several years, and perhaps even have been recruited by him.

While moving up through the K.G.B. hierarchy, the official probably turned over the details of the case to other agents, Mr. Crowley said. But he suggested the official might have met with Mr. Walker on occasion.

"He would still find time to fly in and spend a few minutes with Walker," Mr. Crowley said. "He would build Walker's morale, tell him how much the work had meant to the Soviets."

They said that some spies who were caught in the United States in recent years had probably been given a uniform that he was allowed to wear at meetings with Soviet agents. This, they suggested, would have pleased Mr. Walker, who has been described by a former employee, R. K. Puma, as a self-deluded "James Bond."

"It's very possible that he is a commodore or an admiral by now," said Mr. Phillips, the former C.I.A. agent. "That might appeal to Walker, and an astute Soviet agent would know it."

Mr. Walker retired from the United States Navy in 1976 as a chief warrant officer. "Most warrant officers wonder why they didn't become at least a second lieutenant," Mr. Phillips said. "Here was a situation where the Soviets could make him not only a second lieutenant but an admiral."

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WASHINGTON POST
6 June 1985

# Shevchenko: The Saga Behind The Best Seller

By David Remnick
Washington Post Staff Writer

The moment Arkady Nikolaevich Shevchenko left his apartment on New York's East Side one spring night in April 1978 and rode off in a sedan driven by agents of the CIA, he became a hot commodity, prized by the intelligence and publishing communities alike. As the highest ranking Soviet official ever to defect, he was an instant superstar.

Everything has worked out for Shevchenko. He is the author of "Breaking With Moscow," which has been on The New York Times best-seller list for 15 weeks. He is constantly invited to lecture, often for $10,000 or more. There is talk in Hollywood of making a movie of the Shevchenko story; rights could sell for about $500,000. The CIA has been paying him $60,000-a-year-for-life ever since he defected, though one agency source said, "They'll probably cut the money off at some point. He might have more now than the CIA."

But there are lingering questions of how valuable Shevchenko has proved for those who were most enthralled by his presence. In the intelligence community, some agency sources were disappointed with the information he provided. Some thought the level of his information did not match his rank in the Soviet bureaucracy.

And after having been the subject of a war between the KGB and the CIA, Shevchenko took his place in the middle of New York's hottest publishing war: Simon & Schuster versus Random House and its subsidiary, Alfred A. Knopf. Simon & Schuster, which had promised Shevchenko $600,000 for the book in 1978, turned it down a year later. Too dull and too late, the publisher said. Now Simon & Schuster is second-guessing the best-selling manuscript Shevchenko produced this year for Knopf. S & S is wondering if, in one editor's words, Shevchenko didn't "juice up" his story to make it more commercially appealing.

In the meantime, Arkady Shevchenko is a peripatetic celebrity. He is free, wealthy and getting wealthier.

"Arkady's been whizzing around the country concocting an impossible schedule of promotions and interviews as he goes," said Shevchenko's lawyer and confidant, William Geimer. "It's been fast and furious for months. After so long in the wilderness, he's feasting on the attention. It's a binge of sorts."

Shevchenko is now on vacation abroad. After repeated calls to his office, Shevchenko told his secretary he did not want to be interviewed for this article. Through his secretary, he did say, "People will believe what they want to. I've been under attack before. . . . I'm not a politician and I'm not running for public office."

Although he has written opinion pieces for The Washington Post in the past, he also stated that the newspaper "is detrimental to the interests and the security of the United States in its liberal attitudes."

Geimer said, "Arkady sounds like he's overdone the travel and worn himself out."

Six months after the defection, Simon & Schuster's editor-in-chief Michael Korda signed Shevchenko to a contract that called for a guaranteed advance of $600,000 and a completed manuscript by September 1979.

On the basis of five early chapters, the publisher pronounced the book "unsuitable" in the spring of 1980. Simon & Schuster demanded Shevchenko return what had already been paid him—$146,875 plus $16,890.62 a year in interest on a 10-year payment schedule. Shevchenko's lawyers filed a $15 million counterclaim but lost.

Shevchenko's lawyers questioned why the manuscript was rejected but were never satisfied with the answer. One source who helped with the manuscript said, "Simon & Schuster's problem with it was that the book was incredibly dull. There was no drama or animation to it. And he couldn't write. The stuff was always late, too."

Said Korda, "I turned it down because A) it was not interesting, B) it was not worth the money we had paid for it and C) he did not deliver the inside stories on the top-level Soviet officials we had expected."

Although it took constant revision, Knopf got a lot more for a lot less. For no more than a third of what Simon & Schuster had paid, Shevchenko produced a best seller. Korda says he was not embarrassed, but the two publishers are in a veritable war over best sellers and Simon & Schuster cannot have taken the loss lightly.

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